Outside Witness Testimony

Senate Appropriations Committee
Subcommittee on Homeland Security
April 24, 2015

Comments on the Fiscal Year 2016 Budget Request for the Federal Emergency Management Agency
Submitted by:
Association of State Floodplain Managers
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The Association of State Floodplain Managers appreciates this opportunity to comment on aspects of the Fiscal Year 2015 FEMA Budget Request. We wish to express the strong support of our members for the request of $278.6 million for RiskMAP, $200 million for Pre-Disaster Mitigation and $150 million for Flood Mitigation Assistance.

The Association of State Floodplain Managers and its 36 State Chapters represent more than 16,000 state and local officials and other professionals who are engaged in all aspects of floodplain management and hazard mitigation, including implementation of aspects of the National Flood Insurance Program, mapping, engineering, planning, permitting, hydrology, forecasting and management of floodplain areas. All ASFPM members are concerned with reducing loss of life and property due to flooding. Our website is: www.floods.org.

ASFPM members wish to thank the Subcommittee for its prior support of mitigation/risk reduction and of risk identification. Disaster related costs to the nation continue to rise. Flooding is the most frequent and most predictably costly type of natural disaster that can affect every part of the country. To reduce the losses and associated costs, hazard mitigation is key. Risk identification (mapping) is essential to guide and direct hazard mitigation activities.

For FY ’16, ASFPM is extremely pleased that the Administration has focused substantial budget increases on identification of areas at risk of flooding through RiskMAP and on reducing those risks through Pre-Disaster Mitigation (PDM) and Flood Mitigation Assistance (FMA). This indicates to us that the Administration is serious about curtailing the ballooning disaster costs and saving lives and property.

The FY ’16 request for the Pre-Disaster Mitigation program (PDM) will support revitalization of a program which has been woefully underfunded in recent years. Despite earlier efforts to eliminate the program, this Subcommittee has understood the importance of reducing the vulnerability of flood-prone properties before a disaster occurs – saving the federal taxpayer an estimated $4 for every $1 invested.
in mitigation – as well as saving lives and valuable property. ASFPM members have gratefully appreciated the Subcommittee’s repeated inclusion of funds to keep the program functioning.

Even with dramatically reduced funding in recent years, PDM has had a positive impact on mitigation capacity and reduced losses through its focus on two activities: all hazard mitigation planning and hazard mitigation projects. In the absence of mitigation funds made available after a disaster (Hazard Mitigation Grant Program), this program provides the major support for mitigation planning and for maintenance of the capacity to support mitigation activities. Without PDM, many states’ capacity would be dramatically diminished as well as support for local mitigation planning.

PDM is the primary funding source for hazard mitigation projects for states without a current disaster declaration. Demand has historically been high for PDM – the program usually takes in applications that exceed three times available funding. Reform of the National Flood Insurance Program is driving interest in risk reduction actions and the increasing need for PDM resources. Both the reform acts in 2012 and 2014 result in flood insurance premium increasing toward full risk rates, which has driven and will drive an unprecedented interest in flood mitigation options to lower those premiums and risk. This is an appropriate reaction to better information about the true risk. However, the availability of PDM funds is key to taking advantage of this interest in mitigation, particularly in areas where there is not a declared disaster which would make Hazard Mitigation Grant Program funds available.

Floodplain mapping provides not only the regulatory tool necessary for implementation of the National Flood Insurance Program, but also identifies areas of risk to guide mitigation activities as well as community and economic development decisions.

FEMA’s mapping program, RiskMAP, is funded both by appropriated funds and by fees paid by flood insurance policyholders. This dual source of funding is appropriate since the benefits of risk identification accrue to the NFIP and its policyholders as well as to all taxpayers. The nation has invested $4.3 billion in digitizing most old paper maps and in updating a portion of the maps through new engineering studies since the effort to modernize flood maps was initiated. Much of that engineering study work remains to be done; many less populated areas of the country have no maps at all and many areas still have outdated maps that do not reflect current conditions.

In response to questions about the mapping needs, ASFPM produced a report entitled “Flood Mapping for the Nation” using the $400 million per year and additional mapping tasks authorized in the Biggert-Waters legislation as a guide. That report identified criteria as to what constitutes adequate flood mapping and estimated the cost to achieve that to be a further investment of from $4.5 billion to
$7.5 billion. A subsequent steady-state cost to then maintain accurate and up-to-date flood maps ranges from $116 million to $275 million annually.

Against this backdrop, it is evident that at recent funding levels, it would take a long time to achieve adequate flood mapping for the nation. As this subcommittee is aware, the appropriations for mapping have decreased significantly from a high point of $220 million in FY ’10 to $95 million in FY ’14. We are well aware and very appreciative that this Subcommittee has recognized the importance of accurate risk identification and has found a way to appropriate funds above the recent very low budget requests.

We are very pleased that the Administration has requested $278.6 million for FY ’16. This investment in flood risk mapping will help to produce more accurate and up-to-date maps. It will drive down costs and suffering due to flooding and will provide the best tool for managing flood risk and building sustainable communities.

Flood Mitigation Assistance (FMA) is funded by flood insurance policy holders through the National Flood Insurance Fund (NFIF). FMA funds a variety of methods of flood mitigation and a significant component of its funding is directed to mitigation of Severe Repetitive Loss properties. These properties, which make numerous flood insurance claims, sometimes even cumulatively exceeding the value of the property, constitute a significant unnecessary drain on the NFIF. FMA was funded at $120 million in FY ’15 and we are very pleased to see that the budget request for FY ’15 is $150 million. We urge the Subcommittee to approve this request. Much of this money will be wisely spent to very clearly reduce claims on the NFIF. It is also an important source of grant funds for those seeking to reduce their flood insurance premiums by mitigating their risk.

Because of interest expressed via language in recent appropriations bills, ASFPM would offer some observations about the proposed Federal Flood Risk Management Standard (FFRMS).

The President issued Executive Order 13590 on January 30, 2015 along with accompanying guidance. That guidance has been published in the Federal Register and is now out for public comment. In response to requests for a longer time to comment, the period was extended by 30 days and FEMA has engaged in an energetic series of Listening Sessions around the country and by webinar to engage public opinion and recommendations. The FFRMS cannot be implemented until comments have been received, studied and final guidance issued. Even at that point, each affected federal agency will need to take its own steps to alter rules and procedures, which will afford another opportunity for public input – this time at the more specific level of particular agency programs.

The changing nature of flood risk, including increased risks due to sea level rise, demands competent standards that will withstand the test of time and the forces of
nature. We think the new EO and the FFRMS represent an important step in that direction. In fact, some states have already adopted statewide standards that meet or exceed the new proposed federal standard and many, many communities and counties have done so. In these instances, the local ordinances reflect the requirements. The new FFRMS would not have any effect on local ordinances and would only apply where federal funds are involved. This would only apply to new construction or substantial repair or improvement involving federal dollars. In some instances, federally funded facilities have been built at levels below the local ordinance, so in effect, this FFRMS would ensure that the federal investments respect local ordinances and state requirements.

Thank you very much for the opportunity to make these recommendations about FEMA’s budget for FY ’16 and to offer additional comments. If you have any questions, please contact ASFPM Executive Director, Chad Berginnis, at (608) 828-3000 or cberginnis@floods.org.